

HOUSE BILL 84

By Hawk

AN ACT to amend Tennessee Code Annotated, Title 4,
Chapter 4, Part 1, relative to federal funds.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 4-4-113, is amended by deleting the section and by substituting instead the following:

(a) Any department of state government may accept and use federal financial assistance from any agency or instrumentality of the federal government for purposes of carrying on programs in which such department may be authorized to engage; provided, that such acceptance shall be with the express approval of the governor; and such department, acting through its commissioner, is authorized to enter into any and all requisite agreements with such federal agency or instrumentality for the purpose of acceptance and use of such financial assistance; provided, further, that no agreement or contract shall be made by such department involving the expenditure of funds beyond those available to such department by appropriation, gift, or otherwise.

(b) Any department of state government receiving federal financial assistance shall notify the comptroller of the treasury and the commissioner of finance and administration within three (3) days of the federal awarding agency, or designated cognizant agency, notifying the department of noncompliance with, or any deficiencies related to compliance with, federal statutes, regulations, or the terms and conditions of a federal award that may result in the:

(1) Repayment of federal financial assistance;

(2) Reduction in future federal financial assistance by administrative

offset against other requests for reimbursements or subsequent awards;

- (3) Withholding of advance payments otherwise due to the department;
- (4) Temporary withholding of federal financial assistance pending corrective action by the department;
- (5) Whole or partial suspension or termination of the federal award; or
- (6) Federal awarding agency taking any other remedies legally available to it, including not seeking recovery of a disallowance or improper payment.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.